

[Translation]

Indigenisation of ship building

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*432. SHRI MUMTAZ ANSARI
SHRIMATI SHEELA GAUTAM

Will the Minister of DEFENCE be pleased to state:

(a) whether the Garden Reach Shipbuilders and Engineers Limited, Calcutta is importing various equipments and fire doors of ships;

(b) if so, the details thereof and the amount spent thereon during the last three years,

(c) the steps taken for indigenous production of fire doors and other items being imported at present; and

(d) the percentage of indigenisation achieved in the construction of ships?

[English]

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI S. KRISHNA KUMAR): Yes, Sir.

(b) to (d). A statement is laid on the Table of the House.

STATEMENT

(b) The details of imports and the amounts spent thereon during the last three years are as under:

(Rs in crores)

Period	Machinery & Equipment	Fire Doors
1989-90	36.39	Nil
1990-91	25.16	Nil
92	19.83	0.06

(c) In respect of fire doors, efforts to develop the item indigenously have been made but these have not succeeded so far, due to the inability of the local manufacturers to meet the stringent specifications. Hence the immediate requirement to meet production schedule of the ships was allowed to be imported. For other items being imported, a very strict scrutiny is carried out by a Study Group, headed by a senior officer of Directorate General of Quality Assurance (DGQA) organisation and comprising representatives of NHQ, Coast Guards, shipyards and DGTD. Only those equipment are cleared for import where the items are too small in number and value to make indigenisation a commercially viable proposition, or where the technology is not available and requires prohibitive costs for setting up of infrastructure, or where these cannot be indigenised within the time available. No equipment is cleared for import if it can be manufactured indigenously. The effort at indigenisation is an ongoing process, which has yielded remarkable results in the field of shipbuilding.

(d) The percentage of indigenisation achieved which means the percentage that the cost of indigenously produced equipment bears to the total equipment, varies from ship to ship, depending on the design and the classification rules followed. The indigenisation so far achieved ranges from 60% to 90% on different types of ships.

SHRI MUMTAZ ANSARI. Mr. Speaker, Sir, from the statement laid on the Table, it is clear that the import of all the equipment and machinery is dwindling down from 1989 to 1991. That augurs well. At the same time, during the year 1991-92, the import of fire doors has started. So, it is very much alarming. It has also been pointed out that this is due to inability and inefficiency on the part of the indigenous manufacturers. These fire doors are being imported because they are not coming up to the standard and they are not fulfilling the requests specifications laid down by experts. So, I would like to know from the hon. Minister how much collaboration was negotiated upon with Norway, German and Danish firm in this regard and how much technical and financial help was sought

and received under this scheme and how far it has increased the ability of the indigenous manufacturers so that they may come up to the standard and specifications laid down by the experts.

SHRI S. KRISHNA KUMAR. Sir, as will be seen from the answer to the main question, the import which was made of fire doors was only of the order of Rs. 6 lakhs in 1991-92. This quantum of order is not considered sufficient for setting up any joint ventures or including any negotiations. We have been trying to indigenise all equipments and as a part of this, fire doors are also sought to be indigenised. Some firms have registered with us but they are yet to obtain Lloyd's certification as well as the technical testing clearance which are required.

SHRI MUMTAZ ANSARI: It has been pointed out in 'd' part of the Statement by the hon. Minister that we are indigenising our ship building and we have achieved much success which ranges from 60 per cent to 90 per cent and this also depends upon the specific kinds of ships. So, I would like to ask one question to the hon. Minister regarding specific ships which were commissioned during 1989-90, namely, Lok Pratima, Abishekh, Avtar and IPV Lakshmi Bai. What was the percentage of indigenous equipments and tools used in them and that was the percentage of imported machinery and equipment? I would like to know about these from the hon. Minister.

SHRI S. KRISHNA KUMAR: Sir, about 35 ships of different kinds are under construction in the three ship yards. I may not be able to give details ship wise but I will say that, I have a list of 11 ships built at along GRSE with the percentage of indigenisation. If the hon. Member wants that, I will read out. But there are in fact six types of vessels which are normally under construction in our three ship yards. In survey Vessels, we have achieved indigenisation of 91 per cent, in Seaward Defence Boats of 89 per cent, in P-16A (Frigate) of 82 per cent, in Fleet Tankers of 82 per cent, in P-25A (Corvettes) of 60-70 per cent and in on-shore Patrol Vessels of 56 per cent.

[Translation]

SHRIMATI SHEELA GAUTAM: Mr Speaker, Sir, hon Minister has just now said that five doors of the order of Rs. 6 lakhs have been imported. I would like to submit that such imports should not be made and small enterprenures should be allowed to set up such factories. Will Government consider this suggestion?

[English]

SHRI S. KRISHNA KUMAR. Sir, indigenisation is an on-going process and it is given the highest priority in the Defence Ministry. There are some firms which are already registered in this particular item. We shall give the maximum possible support to them. They have not been able to get the Lloyd's Registration Certificate or their equipments tested and passed by the Central Building Research Institute.

[Translation]

Internal Savings

*433. **SHRI GAYA PRASAD KORI:** Will the Minister of FINANCE be pleased to state

(a) whether the Government have taken measures to mobilise resources by encouraging internal savings rather than taking loans from foreign countries;

(b) if so, the details of the plans framed in this regards; and

(c) if not, the reasons therefor?

[English]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (c). Yes, Sir. The Government of India are fully aware of the importance of internal savings and have always taken measures to encourage the same. Our dependence on foreign savings for implementing our Plan programmes has been minimal. More than 90 per cent of the funds required for investment purposes